ECONOMIC RESEARCH SERVICE
ROOTS IN AGRICULTURE, FUTURE IN THE WORLD

The Resource Economics Division (RED)

Mission: to conduct analysis that informs national public and private decisions involving the interrelationship among natural resources, environmental amenities, and agricultural activities, agricultural research and development, technology and productivity, the structure of farming and upstream agricultural businesses, farm income, and the well being of farm households.

Research Focus:

Resource and Environmental Policy — RED analysis illuminates the economic consequences of taking alternative actions or positions on a wide range of policy issues. Policy issues informed by our analysis in 2001 include the regulatory framework for livestock waste management to protect water quality, global climate change and greenhouse gas mitigation, and environmental incentives for domestic agri-environmental program implementation.

Production Technology and Management Systems — RED examines the economic bases for and implications of the adoption of technologies, such as irrigation, pesticide use, and genetically engineered seed, as well as production systems, such as organic farming, pest management, and precision agriculture. This knowledge then informs production forecasts, environmental analysis, and input and technology-specific policy making.

R&D and Productivity — RED is responsible for estimating and distributing data on total factor productivity in agriculture. Under-girding this set of activities is RED assessment of the influence that natural resource quality has on agricultural productivity. We also address the economic dimensions of agricultural science policy and the research and development patterns that predicate productivity.

Agricultural Structure — RED research addresses the implications that the organization and structural characteristics of the farming sector and upstream industries, including life science firms, have for farm viability and downstream businesses and consumers. The Branch develops data on the organization of the farm sector, and applies it to analyses of the linkages between organization and sectoral performance, and to examine the distributional effects of farm policy.

Farm Sector Performance and Well Being — RED is responsible for estimating and reporting a variety of financial measures used to evaluate the performance of the farm sector, farm businesses, and farm households. This assessment of the farm economy plays a critical role in formulating and monitoring government programs. We collaborate with the National Agricultural Statistics Service (NASS) to plan and implement an annual, national survey of farm enterprises and farm households, which forms a primary basis for our research on factors that affect the viability of farms, and the behavior and economic well-being of farm households.

Key Management Contacts:

Director	Kitty Smith	202-694-5500
Associate Director	Carol Jones	202-694-5505
Deputy Director — Communications	William Anderson	202-694-5502
Deputy Director — Staff Analysis	Ralph Heimlich	202-694-5504
Data and Survey Coordinator	Merritt Padgitt	202-694-5506
Branch Chief — Resource and Environmental Policy	Marca Weinberg	202-694-5478
Branch Chief — Production Management and Technology	Margriet Caswell	202-694-5540
Branch Chief — Research, Technology and Productivity	Robbin Shoemaker	202-694-5520
Branch Chief — Agricultural Structures	James MacDonald	202-694-5610
Branch Chief — Farm Sector Performance and Well-Being	James Johnson	202-694-5570

As of May 2001, there are 110 people in the Division, including 88 resource, agricultural, or general economists. These individuals work with colleagues from multiple disciplines in other Federal agencies, as well as with university-based peers through cooperative research agreements with faculty at 18 different universities.

Recent RED Publications:

Structural and Financial Characteristics of U.S. Farms: 2001 Family Farm Report
Economic Issues in Agricultural Biotechnology
Agri-Environmental Policy at the Crossroads: Guideposts on a Changing Landscape
Adoption of Agricultural Production Practices: Lessons Learned from the U.S.D.A. Area Studies Project

All of our work is readily available on the ERS website: **www.ers.usda.gov**.

Examples of articles recently published in periodicals by RED staff:

Aillery, Marcel, R. Shoemaker and M. Caswell. "Agriculture and Ecosystem Restoration in South Florida: Assessing Trade-Offs from Water-Retention Development in the Everglades Agricultural Area," *American Journal of Agricultural Economics*, 83(1), Feb. 2001, pp.183-195.

Ball, V. Eldon, J. Bureau, J. Butault, and R. Nehring. "Levels of Farm Sector Productivity: An International Comparison," *Journal of Productivity Analysis*, 15, 2001, pp. 5-29.

Morehart, Mitch, J. Johnson, C.E. Young and G. Pompelli. "Using Farm Income as a Policy Benchmark," *Agricultural Outlook*, May 2001, pp. 14-19.

Mullarky, Daniel, J. Cooper and D. Skully. "Multifunctionality and Agriculture: Do Mixed Goals Distort Trade?," *Choices*, First Quarter 2001, pp. 31-34.